

NEBRASKA TRS ADVISORY COMMITTEE MEETING

Location: Nebraska Public Service Commission

300 The Atrium, 1200 N Street

Lincoln, Nebraska

January 25, 2008

The Nebraska Telecommunications Relay Advisory Committee met on January 25, 2008 at the Nebraska Public Service Commission in Lincoln, Nebraska.

There being a quorum present, the meeting was called to order at 1:35 p.m. by Tami Richardson-Nelson. The following committee members were present:

Ms. Sarah Borghesi;
Ms. Tami Richardson-Nelson;
Mr. Art Nelson;
Ms. Kim Remington;
Mr. Albert Sparks.

Mr. James Devaney and Commission Tim Schram were not present.

Introduction of Guests: Present from the Nebraska Commission for the Deaf and Hard of Hearing (NCDHH) was Tanya Wendel. Executive Director Mike Hybl, Gene Hand and Steve Stovall were present from the Public Service Commission. Present from Hamilton Telecommunications were Dixie Ziegler, Barb Handrup and Christa Cervantes. Frances Beaurivage and Jamy Elker interpreted the meeting.

Introduction of New Members: A welcome was extended to new committee member Mr. Albert Sparks.

Election of New Officers: Ms. Wendel expressed concern that replacements for Tami and Art Nelson were not obtained. Discussion centered on possible By-law changes relating to term limits for officers. Motion by Ms. Remington to amend the By-laws to eliminate length of term provisions. Seconded by Mr. Sparks. Upon agreement of all committee members present, motion carried. Because of open meeting laws, this must be presented as an agenda item at the next meeting before action to amend the Bylaws can be considered.

Ms. Tami and Mr. Art Nelson decided to stay on as members.

Approval of the Agenda: Motion by Mr. Nelson to accept the Agenda as presented. Seconded by Ms. Remington. Upon agreement of all committee members present, the agenda was approved.

Approval of the Minutes of October 19, 2007: Per Ms. Cervantes, correction to page three, item #five under "Hamilton Telecommunications Comments," change to Hamilton provided videophones for use to a shelter for abused women in Omaha. Motion made by Ms.

Remington for minutes to be approved as revised. Seconded by Mr. Nelson. Upon agreement of all committee members present, the minutes were approved as revised.

Old Business:

1). Update on Discussion of Portable Wireless Devices and Equipment Program.

Decision to defer discussion until inquiries can be made and a written report provided.

2). Update on Discussion with Alltel as Vendor for Portable Wireless Devices.

Subsequent to this meeting Tanya Wendel, Gene Hand and Steve Stovall met with Mr. Bill Ashburn representing Alltel to adopt a process of identifying retail stores in Nebraska and educating Alltel wireless consultants regarding the equipment program.

Mr. Nelson directed the Commission to provide a list of wireless vendors with the voucher package.

Public Service Commission Comments:

1). Updated Relay Statistics – Gene Hand. Mr. Hand shared historical call volume and cost data. Mr. Hand indicated a reduction in the surcharge is most likely since the fund balance exceeds \$800,000 as of December 2007. The Commission staff will be providing forecast data at the surcharge hearing on February 26 as part of their recommendation to the Commission for the surcharge rate.

2). Equipment Distribution Program update. Mr. Stovall indicated monthly expenditures for the equipment program remain steady. Mr. Stovall indicated new brochures are being developed and more applications will be distributed to each of the NCDHH locations.

Additional information on relay minutes of use was provided. For fiscal year ended June 30, 2007, total minutes of use declined 17.52% compared to the previous period, excluding CapTel minutes. With CapTel minutes of use the decline was 12.84%. For the year ended 2006, total minutes of use declined to 14.99% excluding CapTel and with CapTel, the decline was 7.73%. For year ended 2005, total minutes of use declined 11.70% and with CapTel minutes, the decline was 9.24%. Mr. Stovall indicated CapTel minutes of use have continued to increase.

3). Discussion of Recent FCC Adoption of Cost Recovery Methodologies. Mr. Stovall provided a summary of the recent FCC final rules regarding provider compensation for TRS services from the Interstate TRS fund. Following are the major highlights:

- The Multi-state Average Rate Structure (MARS) plan will be used and is based on a weighted average of all states' competitively bid rates. This plan will apply to interstate traditional TRS, interstate STS, interstate CTS ("Captioned Telephone Service"), and interstate and intrastate IP CTS;
- The FCC will calculate two MARS rates; one for traditional TRS and STS and another for interstate CTS and IP CTS based on the state rates for intrastate CTS;
- For STS rate determination, the Commission will add an additional \$1.131 per

minute because of concerns that outreach efforts for STS services have not been effective;

- For IP relay, no cost recovery will be based on the MARS plan since there are no state rates for this service. Instead, a price cap methodology will be used;
- For VRS, the Commission adopts a tiered-rate cost recovery where VRS providers will be compensated at specific per-minutes rates based on predetermined monthly call volumes.

4). Discussion of Surcharge Determination for Next Assessment Period Beginning July 1 (Gene Hand and Steve Stovall).

Mr. Stovall provided a surcharge spreadsheet that will be presented at the February 26 hearing. Forecasts were presented at \$.04, \$.05 and \$.03 surcharge levels. Mr. Stovall indicated that a reduction to a four-cent (\$.04) rate would address the reserve balance and still be able to fund an awareness program. Committee consideration will be solicited upon presentation of item #5.

5). Discussion of Proposed Implementation of Promotional/Awareness Campaign.

Ms. Handrup and Ms. Ziegler provided information on a previous campaign Hamilton implemented for Wyoming. Flyers were provided to the committee. Ms. Ziegler indicated that a combination of TV and radio provides more effective coverage. The Nebraska proposal would include a business owner, equipment program and CapTel awareness component.

Ms. Ziegler also indicated that current trends under state contracts have been to include a fixed dollar amount devoted for awareness each year. Mr. Hand indicated that it may be more prudent to adopt a lower level of expenditures with the expectation of building awareness costs into the next RFP. The current contract with Hamilton expires June 30, 2009.

Ms. Remington indicated that the best approach may be to make two motions; one for the surcharge recommendation and one to the Commission to recommend an awareness plan. The focus on the awareness proposal should center on the plan itself, not a set dollar amount.

Motion by Mr. Nelson to recommend to the Commission that the surcharge be reduced to four (\$.04) cents per month effective July 1, 2008. Seconded by Mr. Sparks. Upon agreement of all committee members present, motion carried. A letter of recommendation from the committee chair will be issued for the record.

Ms. Remington moved to recommend that a committee be established to present an expanded awareness program to the Commission at the surcharge hearing. Seconded by Mr. Sparks. Upon agreement of all committee members present, motion carried.

Ms. Ziegler and Ms. Cervantes agreed to develop an awareness proposal for presentation to the Commission at the surcharge hearing.

Chairperson's Comments: Ms. Nelson expressed appreciation to Steve for the continued updates regarding FCC activities.

Nebraska Commission for the Deaf and Hard of Hearing (NCDHH) Comments:

1). Advisory Committee Members Terms – New Appointments; (Ms. Wendel). A revised member roster was distributed. Commissioner Schram replaces Commissioner Vap.

Hamilton Telecommunications Comments (Ms. Cervantes/Ms. Handrup /Ms. Ziegler):

Ms. Cervantes reported on the following:

- Hamilton will be providing charter bus transportation to downtown Omaha for the DeafNation Expo to be held April 19;
- A survey was sent out with the last Hamilton newsletter regarding relay services based on age groupings. Five responses were received. There was no response deadline indicated on survey responses;
- Ms. Cervantes indicated that for CapTel users involving digital telephone service, analog filters are needed.

Ms. Handrup indicated that they do track IP-enabled complaints. Abuse of relay through the internet does not appear to be at a high level currently.

Ms. Ziegler reported on the following:

- Two crucial issues at the FCC level are being addressed – 1) VRS numbering plan and 2) Emergency Call Handling for IP-enabled services. .
- No update on the intrastate/interstate cost sharing for IP-enabled relay services. The rate methodology for provider compensation from the interstate TRS fund has been resolved by the FCC's adoption of the MARS plan.

Ms. Nelson encouraged everyone to attend the DeafNation Expo in Omaha. The Public Service Commission was asked to provide an exhibit.

The following items that require immediate staff action are as follows;

- 1). Send out an edited version of the bylaws that contain the modified requirement on term limitations (Gene);
- 2). Update our brochures and get NCDHH as many as the require (Steve);
- 3). Meet with Alltel and work on wireless device availability and support including education on the voucher program (Steve, Gene & Tanya);
- 4). Get approval to have a booth at the DeafNation EXPO on April 19 at the Omaha Civic Auditorium (Gene);
- 5). Draft Chair's letter of support for lowering the surcharge to four (\$.04) cents and supporting an expanded awareness program (Steve);
- 6). Work with Hamilton, NCDHH and PSC to draft awareness plan for presentation at

surcharge hearing (Steve, Gene & John Burvainis).

New Business: None.

Public Comment: None.

Next Meeting: Next meeting is tentatively in September. The issue of remote teleconferencing and videoconferencing was raised including discussion about voting on agenda items.

Motion for meeting to be adjourned at 3:43 p.m. by Ms. Tami Richardson-Nelson.

Respectfully submitted,

Steven G. Stovall - Staff Accountant
Nebraska Public Service Commission
May 14, 2008